

AP-1819 AMENDMENT ALLOCATION METHODOLOGY

The purpose of this document is to outline the allocation methodology used to allocate Federal and State Funds for the Area Plan (AP) Contract AP-1819 Amendment.

AP-1819 Amendment Contract Allocation Methodology:

Federal Title III and Title VII Funds not previously allocated (other than Ombudsman Program funds):

Local assistance funds from the Federal Title III, and Title VII grant award are allocated based on the Intrastate Funding Formula (IFF) as follows:

- \$50,000 administrative base funds
- The remainder of Federal Funds are allocated based on weighted population factors consistent with Federal requirements using the following data sources to determine the number of persons statewide and in each Planning and Service Area (PSA) with characteristics corresponding to each population factor:

Population Factors	Data Source	Weight
Non-Minority 60+	2010 Census – Department of Finance Projections, 2016	1.0
Minority 60+	2010 Census – Department of Finance Projections, 2016	2.0
Low Income 60+	2010 Census – Administration on Aging updated database 2016	2.0
Geographic Isolation 60+	2010 Census	1.5
Medi-Cal Eligible 60+ (III-D only)	Department of Health Care Services, 2016	1.0

State Funds (other than Ombudsman Program Funds):

Local assistance funds from the State General Fund (GF) are allocated as follows:

- First, allocated GF to match designated Federal Funds as mandated by Federal regulations.

- Second, allocated the remaining GF for Maintenance of Effort to bring each Area Agency on Aging (AAA) to a funding level consistent with the previous year's total allocation for selected funds. Pursuant to Welfare and Institutions Code Section 9112(c), the California Department of Aging (CDA) makes this Maintenance of Effort adjustment to the degree possible with available funds.
- Third, once the Maintenance of Effort is met, the remaining GF (Surplus Overmatch) is allocated using the Washington Formula to those AAAs not adjusted for the Maintenance of Effort.

Ombudsman Program State General and Federal Funds:

The methodology used to allocate General and Federal Funds for the Ombudsman program has been changed in accordance with Welfare & Institutions Code (W&I) 9719.5. AB 1811 changed W&I 9719.5 to increase the base allocation from \$35,000 to \$100,000. Beginning July 1, 2018, the Ombudsman program received a corresponding increase of \$2,300,000 in General Fund for this base allocation increase. To facilitate the amended W&I code and increased General Fund, the base allocation is now allocated from both General and Federal Funds.

General and Federal Funds are allocated as follows:

- \$100,000 in baseline funds to each local Ombudsman program proportionately from General Fund, Title III, and Title VII (53.5%, 19.2%, and 27.4% respectively).
- The remainder of the General and Federal Funds are allocated pursuant to Welfare and Institutions Code Section 9719.5, using the following factors which weights the PSA's number of facilities, facility beds, and square miles:

Factor	Percentage
Number of Long-Term Care Facilities	50 percent
Number of Long-Term Care Beds	40 percent
Square Miles in the PSA	10 percent

Ombudsman Program State Special Funds:

The Skilled Nursing Facility Quality and Accountability Funds, and California Department of Public Health, Licensing and Certification Program Funds are allocated using the funding formula found in Welfare and Institutions Code Section 9719.5.

The funds from the State Health Facilities Citation Penalties Account are allocated based on the number of Skilled Nursing Facility Beds in each local Ombudsman Program's service area as specified in the Enacted Budget.

Additional Funds for AP-1819 Contract Amendment Allocation Methodology:

To determine each AAA's AP-1819 Contract Amendment allocation, CDA used the methodology described below.

- One-Time-Only (OTO) Funds - unexpended funds from the AP-1718 contracts are reallocated with up to five percent of each AAA's unexpended funds from its previous contract back to the original AAA. Amounts that exceed the five percent amount are reallocated to all AAAs using the applicable IFF factors.
- Supplemental Title III and VII Grant Funds - ACL allocates supplemental funding based on unspent funds from other states. These funds are allocated to the AAAs utilizing the full IFF in order to assure minimum matching requirements are met for each AAA.
- Federal Grant Reconciliation - the difference between the estimated Federal grant funds that were allocated in the original contract were reconciled to the actual final Federal grant award. CDA allocated reconciled Federal Funds to all AAAs using the appropriate IFF, Ombudsman, and Nutrition Services Incentive Program factors. The Department utilizes the full IFF in order to assure minimum matching requirements are met for each AAA.
- The NSIP funding is allocated based on the meal counts from the prior-prior year in proportion to the meals served statewide. For example, the FY 2018-19 allocation is based on the meal counts from FY 2016-17.